

By: Pitts

H.B. No. 3877

A BILL TO BE ENTITLED

AN ACT

relating to the powers and duties of the Ellis County Municipal Utility District No. 1; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose taxes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 8467 to read as follows:

CHAPTER 8467. ELLIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8467.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Director" means a board member.

(3) "District" means the Ellis County Municipal Utility District No. 1.

Sec. 8467.002. NATURE OF DISTRICT. The district is a municipal utility district created under and essential to accomplish the purposes of Section 52, Article III, and Section 59, Article XVI, Texas Constitution.

Sec. 8467.003. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) All land and other property in the district will benefit from the improvements and services to be provided by the district.

(b) The district is created to accomplish the purposes of Section 52, Article III, Texas Constitution, that relate to the

1 construction, acquisition, improvement, operation, or maintenance
2 of macadamized, graveled, or paved roads, or improvements,
3 including storm drainage, in aid of those roads.

4 Sec. 8467.004. ANNEXATION BY MUNICIPALITY. Notwithstanding
5 any other law, on the written consent of the landowners and the
6 district, a municipality in whose extraterritorial jurisdiction
7 the district is located may annex a portion of the district. The
8 district is not dissolved as a result of an annexation under this
9 section.

10 Sec. 8467.005. LIMITED-PURPOSE ANNEXATION BY A
11 MUNICIPALITY. (a) Notwithstanding any other law, the governing
12 body of a municipality in whose extraterritorial jurisdiction the
13 district is located may:

14 (1) enter into a strategic partnership agreement with
15 the district; and

16 (2) annex all or a portion of the district for limited
17 purposes under Section 43.0751, Local Government Code.

18 (b) An individual residing in the district is considered an
19 inhabitant of a municipality for the purposes of determining the
20 population of the municipality under Section 5, Article XI, Texas
21 Constitution.

22 SUBCHAPTER B. POWERS AND DUTIES

23 Sec. 8467.051. MUNICIPAL UTILITY DISTRICT POWERS AND
24 DUTIES. The district has the powers and duties provided by the
25 general law of this state, including Chapters 49 and 54, Water Code,
26 applicable to municipal utility districts created under Section 59,
27 Article XVI, Texas Constitution.

1 Sec. 8467.052. DIVISION OF DISTRICT. (a) The district may
2 be divided into two or more new districts only if the district:

3 (1) has no outstanding bonded debt; and

4 (2) is not imposing ad valorem taxes.

5 (b) This chapter applies to any new district created by the
6 division of the district, and a new district has all the powers and
7 duties of the district.

8 (c) Any new district created by the division of the district
9 may not, at the time the new district is created, contain any land
10 outside the territory of the district as it existed on the date the
11 district was created.

12 (d) The board, on its own motion or on receipt of a petition
13 signed by the owner or owners of a majority of the assessed value of
14 the real property in the district, may adopt an order dividing the
15 district.

16 (e) An order dividing the district must:

17 (1) name each new district;

18 (2) include the metes and bounds description of the
19 territory of each new district;

20 (3) appoint temporary directors for each new district;
21 and

22 (4) provide for the division of assets and liabilities
23 between or among the new districts.

24 (f) On or before the 30th day after the date of adoption of
25 an order dividing the district, the district shall file the order
26 with the Texas Commission on Environmental Quality and record the
27 order in the real property records of each county in which the

1 district is located.

2 (g) Any new district created by the division of the district
3 shall hold a confirmation and directors' election as provided by
4 Section 49.102, Water Code.

5 (h) Municipal consent to the creation of the district and to
6 the inclusion of land in the district acts as municipal consent to
7 the creation of any new district created by the division of the
8 district and to the inclusion of land in the new district.

9 (i) Any new district created by the division of the district
10 must hold an election as required by this chapter to obtain voter
11 approval before the district may impose a maintenance tax or issue
12 bonds payable wholly or partly from ad valorem taxes.

13 Sec. 8467.053. AUTHORITY FOR ROAD PROJECTS. Under Section
14 52, Article III, Texas Constitution, the district may acquire,
15 construct, improve, operate, or maintain macadamized, graveled, or
16 paved roads or turnpikes, or improvements in aid of those roads or
17 turnpikes inside the district.

18 Sec. 8467.054. ROAD STANDARDS AND REQUIREMENTS. (a) A road
19 project must meet all applicable construction standards, zoning and
20 subdivision requirements, and regulations of each municipality in
21 whose corporate limits the district is located.

22 (b) If a district is not located in the corporate limits of a
23 municipality and is not subject to a development agreement with a
24 municipality, a road project must meet all applicable construction
25 standards, zoning and subdivision requirements, and regulations of
26 each county in which the district is located.

27 (c) The district may not undertake a road project unless

each municipality in whose corporate limits or extraterritorial jurisdiction the district is located consents by resolution.

Sec. 8467.055. COMPLIANCE WITH MUNICIPAL CONSENT RESOLUTIONS. The district shall comply with all applicable requirements of any resolution, adopted by the governing body of a municipality, that consented to the creation of the district or to the inclusion of land in the district.

SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

Sec. 8467.101. TAX TO REPAY BONDS FOR ROAD PROJECTS. The district may impose a tax to pay the principal of or interest on bonds issued under Section 8467.151.

SUBCHAPTER D. BONDS

Sec. 8467.151. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS FOR ROAD PROJECTS. (a) The district may issue bonds or other obligations as provided by Chapters 49 and 54, Water Code, to finance the construction, maintenance, or operation of projects under Section 8467.053.

(b) The district may not issue bonds or other obligations secured wholly or partly by ad valorem taxation to finance projects authorized by Section 8467.053 unless the issuance is approved by a vote of a two-thirds majority of the voters in the district or of the defined areas to be benefited by the project as provided by Subchapter J, Chapter 54, Water Code, voting at an election called for that purpose. The simple majority vote approval required by Section 54.808(a), Water Code, does not apply to an election under this subsection.

(c) Bonds or other obligations issued or incurred to finance

1 projects authorized by Section 8467.053 may not exceed one-fourth
2 of the assessed value of the real property in the district or the
3 defined area as provided by Subchapter J, Chapter 54, Water Code.

4 SECTION 2. (a) The legal notice of the intention to
5 introduce this Act, setting forth the general substance of this
6 Act, has been published as provided by law, and the notice and a
7 copy of this Act have been furnished to all persons, agencies,
8 officials, or entities to which they are required to be furnished
9 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
10 Government Code.

11 (b) The governor, one of the required recipients, has
12 submitted the notice and Act to the Texas Commission on
13 Environmental Quality.

14 (c) The Texas Commission on Environmental Quality has filed
15 its recommendations relating to this Act with the governor, the
16 lieutenant governor, and the speaker of the house of
17 representatives within the required time.

18 (d) All requirements of the constitution and laws of this
19 state and the rules and procedures of the legislature with respect
20 to the notice, introduction, and passage of this Act are fulfilled
21 and accomplished.

22 SECTION 3. This Act takes effect immediately if it receives
23 a vote of two-thirds of all the members elected to each house, as
24 provided by Section 39, Article III, Texas Constitution. If this
25 Act does not receive the vote necessary for immediate effect, this
26 Act takes effect September 1, 2013.